



VIRGINIA LOTTERY

Report to Senate Finance & Appropriations Committee

Lottery, Sports Betting & Casino Gaming

Presented by Executive Director Kevin Hall

Oct. 19, 2021

Contents







Virginia Lottery

Records shattered in FY21

\$3.3 billion in sales	+50% y/y
\$2.2 billion in player prizes	+67% y/y
\$139 million in retailer commissions	+\$20m y/y
\$765 million in profits for Va. K-12	+30% y/y

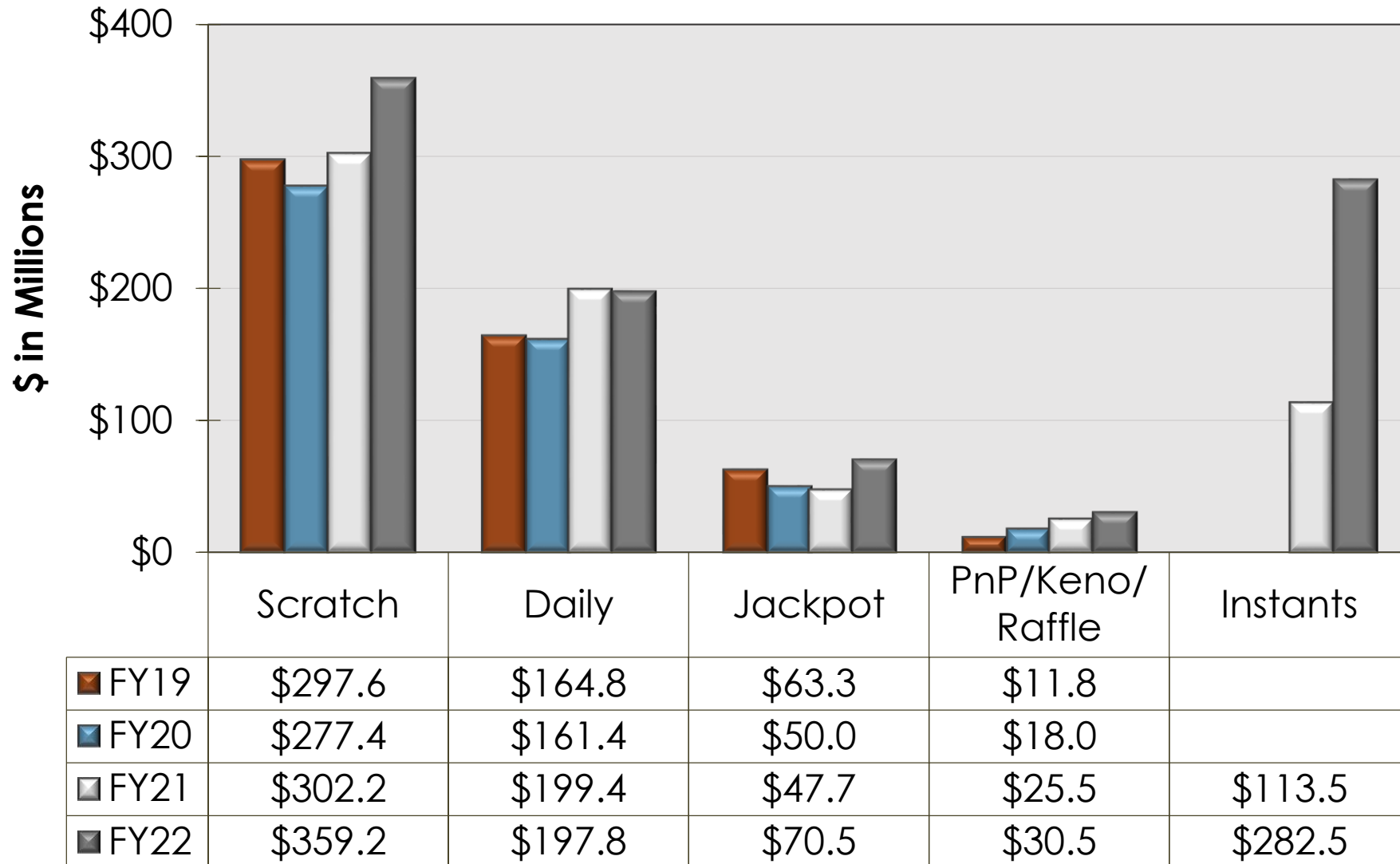
online iLottery continues to exceed projections

The most successful U.S. iLottery launch to date

In-store sales **+15% y/y** after launch of online iLottery

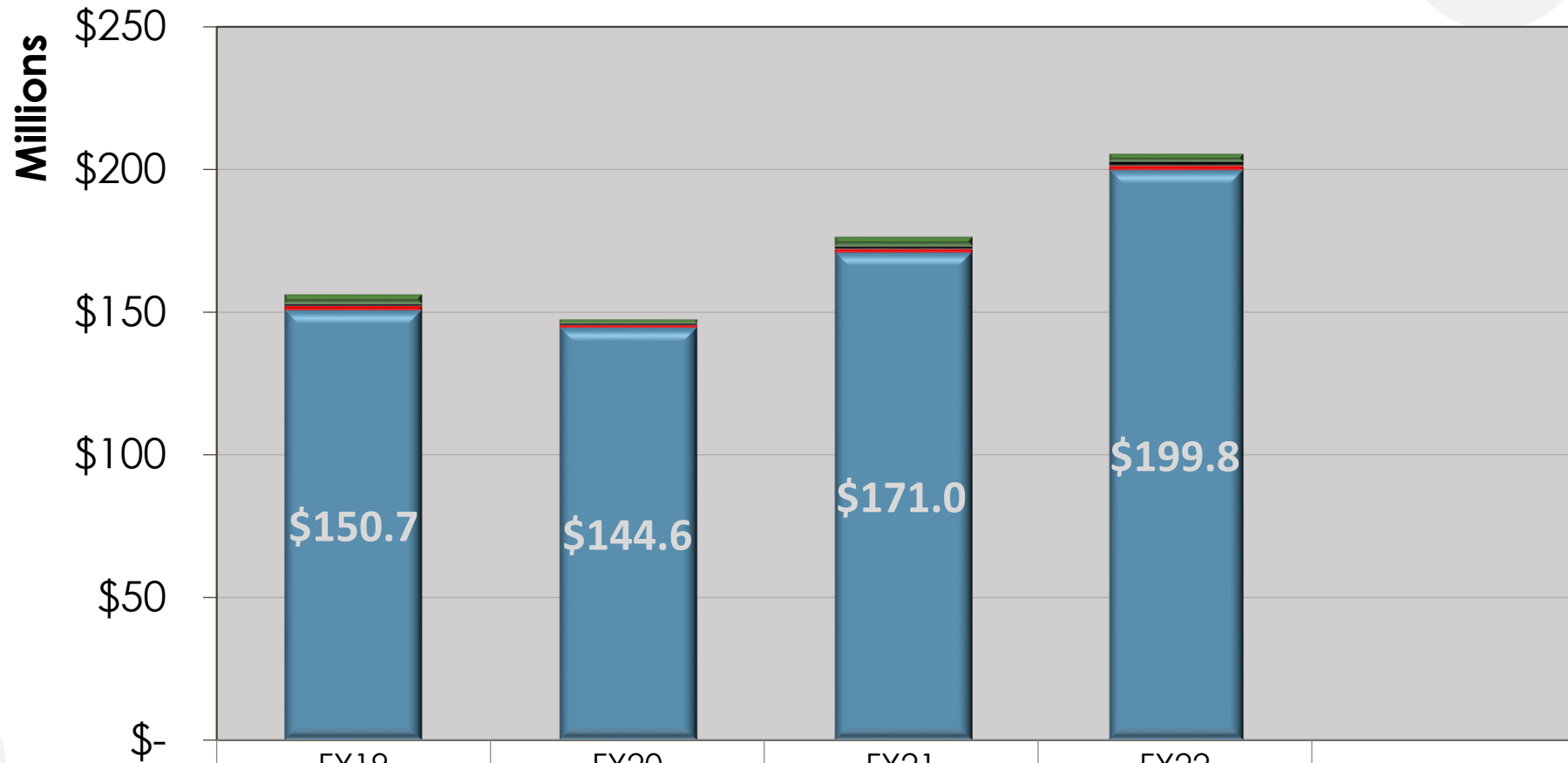


FY22 First Quarter Sales





FY22 First Quarter Profits and Transfers



	FY19	FY20	FY21	FY22	
Literary Fund	\$3,312,254	\$1,323,632	\$3,202,157	\$2,755,137	
Debt Setoff	\$567,122	\$502,474	\$850,334	\$1,394,127	
VA Tax w/h	\$1,494,881	\$856,516	\$1,145,969	\$1,391,461	
Proceeds Fund	\$150,714,937	\$144,600,085	\$171,026,633	\$199,769,611	



Sports Betting

Sports Betting

Jan. 21 – Aug. 31, 2021

10 operators licensed/9 active

Currently vetting applicants for 5 add'l permits

\$1.67 billion wagered

-\$1.52 billion in winning wagers =

\$150 million in net revenue

-\$56.7 million in deductible promos/bonuses

-\$17.4 million in other deductible expenses =

\$70.7 million in adjusted gaming revenue

x 15% tax on AGR =

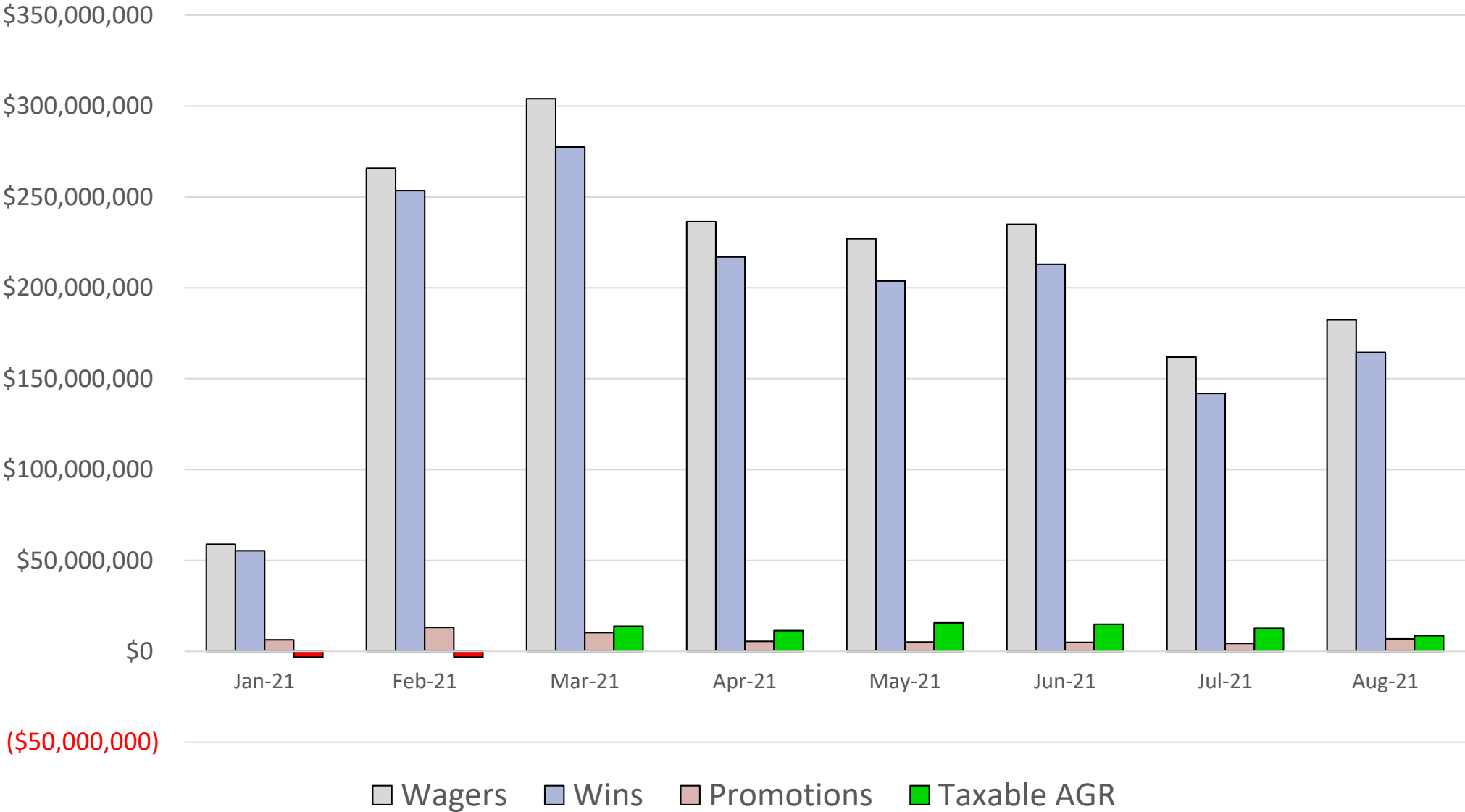
\$11 million in Va. tax revenue collected Jan. 21-Aug. 31

\$10.8 million to the General Fund

\$276,000 to VDBH Problem Gambling Treatment and Support Fund

Sports Betting Activity

Jan. 21 – Aug. 31, 2021



Sports Betting Compliance Actions to Date



Operator failed to properly activate geo-location screening

- Promptly reported, corrective action plan in place
- Consent agreement: \$150,000 paid to Literary Fund

Operator failed to comply with responsible gaming requirements

- Promptly reported, corrective action plan in place
- Consent agreement: \$10,000 paid to Literary Fund + \$10,000 contribution to Va. Problem Gambling Council



Casinos



Casinos

Steady Progress on Licensing & Compliance

- Temporary casino regulations enacted Feb. 2021; proposed permanent regulations adopted July 2021; **anticipated enactment of permanent regulations ~Summer 2022**
- Bristol, Danville, Norfolk and Portsmouth casino groups are currently submitting application materials & documentation for comprehensive licensing investigations; **Lottery has up to 12 months to complete**
- Lottery has hired 25 licensing investigators + retained investigative firm with extensive experience in gaming compliance to assist; **anticipated timeframe for issuance of first casino gaming licenses ~Summer 2022**
- **City of Richmond** has selected its preferred casino operator and is proceeding to Nov. 2021 referendum

Responsible Gaming

Enhancements since Gaming Expansion



Virginia Problem Gambling Helpline: 1-888-532-3500

- Lottery launched **Voluntary Exclusion Program** in Jan. 2021 covering **all forms** of state-sanctioned gaming
- Lottery increased FY22 financial support for **Virginia Council on Problem Gambling (VCPG) Helpline** by 25%
- Lottery is participating in discussions among all regulators, operators, VCPG and Va. Dept. of Behavioral Health to **encourage coordinated efforts** in promoting responsible gaming

Thank you

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